



April 21, 2022

The Honorable Michael S. Regan
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20004

Dear Administrator Regan,

We write today to express serious concerns with the Renewable Fuel Standard (RFS) program and its impact on domestic food and energy prices. Exercising your broad authority as Environmental Protection Agency (EPA) Administrator to waive RFS biofuel blending mandates would help address the skyrocketing costs Americans have faced at the pump and grocery store for well over a year now.

Yearly grocery prices increased an unprecedented 10 percent in March 2022 and RFS biofuel blending mandates – which are met primarily with corn ethanol – are clearly contributing to the problem.¹ Extraordinarily, 40 percent of the corn grown in the U.S. ends up as ethanol rather than on dinner plates or in animal feed troughs, and a recent study found that government-created demand for ethanol increased the cost of corn by 12 percent in 2019.² American consumers and livestock producers – who rely primarily on corn for feed grain – have long borne the brunt of this misguided federal mandate.

Rigid RFS implementation will only serve to compound the disruptions caused by the Russian invasion of Ukraine. In fact, the U.S. Department of Agriculture expects a four percent decrease in U.S. corn plantings this season as producers switch to less fertilizer-intensive crops in response to record fertilizer costs stemming from decreased Russian supply.³ If EPA fails to adjust RFS blending requirements in response to a depressed supply of corn, Americans can expect to see further price increases at the grocery store and elsewhere.

The RFS is also exacerbating the domestic energy crisis. At the time of this writing, the average gasoline price in the U.S. is \$4.12 per gallon – about \$1.24 higher than it was just last year. A recent article correctly characterized the RFS as “The Ethanol Gas Tax,” noting the mandate increases the cost of gasoline by as much as 30 cents a gallon.⁴ Because the ethanol gas tax is

¹ <https://www.bls.gov/news.release/cpi.nr0.htm>

² <https://theicct.org/sites/default/files/publications/RFS-and-feed-prices-jan2021.pdf>

³ <https://www.bloomberg.com/news/articles/2022-03-31/farmers-to-slash-corn-plantings-amid-record-fertilizer-prices>

⁴ <https://www.wsj.com/articles/the-ethanol-gasoline-tax-11621032039>

effectively indexed to the price of corn, which hit record highs in March, the burden the RFS already imposes will continue to increase.⁵ President Biden recently said he and his administration would use “every tool at our disposal to protect American families and businesses from rising prices at the gas pump” – waiving the RFS is a quick and effective way to do just that.

Recent EPA actions under the RFS – including allowing summer E15 sales, the denial of previously approved Small Refinery Exemptions, and the proposal to increase the Renewable Volume Obligation for 2022 – suggest the Agency does not fully grasp the problems outlined above. Some refineries have reported that these decisions could force them out of business altogether, which would significantly impact the U.S. fuel supply.⁶ Thankfully, there is still time to reconsider many of these actions and take further steps to provide relief to Americans.

Congress granted the EPA Administrator broad authority to waive the RFS program’s blending requirements “in whole or in part” if he determined the “implementation of the requirement would severely harm the economy.”⁷ We believe the RFS is contributing to the record food and energy costs that seriously threaten the economy and urge you to exercise your waiver authority to protect the American people.

Sincerely,



Chip Roy
Member of Congress



Scott Perry
Member of Congress



Bill Posey
Member of Congress



Randy K. Weber
Member of Congress

⁵ <https://www.agri-pulse.com/articles/17502-fao-world-food-prices-hit-record-highs>

⁶ <https://www.theblaze.com/news/epa-regulations-may-run-texas-oil-refinery-out-of-business>

⁷ 42 U.S.C. §7545(o)(7)(A)